

8 January 1965

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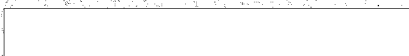
WEEKLY SUMMARY

State Dept. review
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DIA review
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CENTRAL INTELLIGENCE AGENCY
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SECRET**C O N T E N T S**

(Information as of 1200 EST, 7 January 1965)

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In speeches at the annual National People's Congress which ended on 4 January, regime spokesmen boasted of China's growing influence and power abroad, but conceded that its economy has not recovered from the disaster years of 1959-61 and that considerable popular opposition to domestic policies still exists.	

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SECRETTHE COMMUNIST WORLD (continued)Page**HANOI-MOSCOW RELATIONS MAY BE CHANGING**

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Hanoi has withdrawn an anti-Soviet article from its party journal, perhaps in response to some Soviet offer of greater support for the Viet Cong.

ASIA-AFRICA**COMMUNISTS MAKE FURTHER GAINS IN INDONESIA**

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Drastic steps are being taken against those involved in the abortive anti-Communist "Sukarnoist" movement and Indonesia's withdrawal from the UN would further remove Sukarno from moderating influences.

CIVILIAN-MILITARY COMPROMISE SOUGHT IN SOUTH VIETNAM

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An arrangement that would accept the military's fait accompli in disbanding the High National Council appears likely. At Binh Gia the Viet Cong have shown more willingness than previously to engage government forces for a sustained period.

LAOTIAN RIGHTISTS RESUME SQUABBLING

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Factions led by Generals Siho and Kouprasith are eyeing each other with suspicion, and Deputy Premier Phoumi Nosavan has tried to exploit their dispute to regain his control of the rightist military command.

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The arrest of more than 700 members of the so-called "Left" Communist Party of India will hobble that group's efforts to compete for the allegiance of the country's Communists and to operate as an overt party.

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Given the uncertain loyalties of key army units, however, this extreme leftist clique may soon face serious problems in maintaining its position.

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EUROPE

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WESTERN HEMISPHERE

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The salient point of Castro's speech commemorating the sixth anniversary of his regime was an emphatic declaration of independence from Moscow, but he explicitly rejected any thought of leaving the "socialist camp." As for relations with the US, he said his regime was strong enough to wait for Washington to meet his terms.	

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The Robles government is determined to avert violence this week, but isolated terrorism may occur. Cuban-backed revolutionaries, meanwhile, are trying to draw Arnulfo Arias, Robles' opponent last May, into their activities. There is also a threat of labor troubles.	
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United Nations

GENERAL ASSEMBLY IN RECESS AND UN MONEY PROBLEMS REMAIN

The UN General Assembly's current recess has provided one more reprieve from a showdown over the UN's money problems and the voting rights of its financially delinquent members. There is, however, no sign of any break in the deadlock, and the risk of permanent damage to the UN is steadily increasing. Sukarno's threat to take Indonesia out of the organization has also contributed to the deepening malaise.

The crux of the money problem remains the USSR's unwillingness to state how much of its arrears it will pay, and when. The Soviets maintain they have already made a major concession by agreeing in principle to some form of voluntary donation beyond their regular assessments. In return, they demand that all claims against them for the Congo and Middle East operations be canceled and that the assembly resume normal voting procedures. The US insists, on the other hand, that this position is in effect a Soviet bid to have Article 19 of the UN Charter suspended. A donation of about \$17 million is required if the USSR is to avoid the loss of vote which that article specifies for financial delinquents like the Soviets.

In refusing to go along with Secretary General Thant's face-saving plan to set up a "voluntary rescue" fund to which the Soviets and UN members generally would contribute, the USSR may have been

playing for time in the knowledge that France and several other countries would fall more than two years behind in their dues on 1 January. Although a French UN delegate has said Paris is interested in settling the debt issue, France has not indicated what it would consider a suitable solution.

The USSR stands to continue benefiting from the impatience of the Afro-Asians to resume normal procedures in the General Assembly. An Ethiopian official in New York claims that a vast majority of Afro-Asians are "disgusted" with the long postponement. He added that the US is consequently losing African support since even its friends fail to understand why "the US appears determined to push the USSR against a wall." A number of Asians, however, appear to be sympathetic to the US position.

Sukarno's decision to leave the UN, imprecise as it is, has been greeted with widespread disapproval and dismay by many UN members, including some of the more radical Africans. Most of them find it difficult to see how withdrawal would benefit Indonesia, and there are no indications that any one will follow Sukarno's lead. It is possible, however, that if Indonesia actually pulls out and suffers no adverse consequences, a precedent will have been set for capricious withdrawals in the future.

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SECRET**The Communist World****WARSAW PACT MEETING TO CONVENE ON 19 JANUARY**

The Warsaw Pact meeting to be held in the Polish capital on 19 January is probably a session of the Political Consultative Committee, consisting of bloc party and government leaders, which has not met since July 1963. In the past, this forum has been used to issue foreign policy announcements concerning alleged threats to the national security interests of the member nations.

The meeting follows a sharp step-up in Soviet attacks against continuing Western consultations on the NATO multilateral nuclear force, highlighted by Soviet Premier Kosygin's 9 December call for Warsaw Pact consultations. It seems probable that the sessions will result in vague retaliatory threats probably linked with some new proposals dealing with European security. For example, there might be some elaboration of Polish Foreign Minister

Rapacki's 14 December proposal that representatives of the Warsaw and NATO blocs arrange a conference of all European states, including the Soviet Union and adding the US, to discuss European security.

The gathering of the Warsaw Pact signatories will also provide the first opportunity since early November for bloc leaders to review broad policy questions such as the Sino-Soviet problem. The role of the East European forces within the pact structure is likely to come under discussion, particularly in view of tentative signs that Rumania desires to reduce its commitment (see next article). Moscow may appeal for intensive planning and consultation against the possibility of nuclear warfare in Europe in the hope that this will act as a catalyst for greater coordination among the Warsaw Pact forces.

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RUMANIA MAY BE REDUCING COMMITMENT TO WARSAW PACT

Rumania's independent position in the Communist world is now apparently being reflected for the first time in military matters, as it already has been in economic and political affairs. Rumanian officials have even been hinting that Bucharest is no longer willing to cooperate fully with the USSR in bloc military activities.

The pivotal development apparently was the Rumanian decree of 19 December reducing the military obligation of most categories of conscripts from 24 to 16 months. Although the Rumanian action is consistent with Moscow's own facade of military economy, party first secretary Gheorghiu-Dej's comments on it gave US Ambassador Crawford the

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clear impression that opposition to the cut came from foreign sources--an implication that the move was not approved by the Warsaw Pact command. One effect of the cut may be a reduction in the Rumanian forces available to the Warsaw Pact.

Dej's comment follows several suggestions of friction in Rumanian-Soviet military relations. Rumanian foreign liaison officials told US Embassy officials that some Rumanian officers boycotted the 7 November Soviet Embassy reception in retaliation for the rude behavior of Soviet Marshal Grechko, Commander in Chief of the Warsaw Pact, during his October visit to Rumania.

that, if Rumania could have its way, it would not subscribe to any pact. Since then, public Rumanian commentary has increasingly denounced the need for military blocs.

These developments may be the harbingers of a slow and cautious reduction by Rumania of its participation in Warsaw Pact activities. The first open indication of Rumanian independence vis-a-vis the pact may occur at the Warsaw Pact meeting scheduled for 19 January (see preceding article). Premier Maurer says he plans to go, but has not said whether party first secretary Gheorghiu-Dej will accompany him as would normally be the case for such a meeting.

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SOVIET PARTY REORGANIZATION NEARING COMPLETION

The new Soviet leaders have taken advantage of their current reorganization of the party to rid themselves of another of Khrushchev's top agricultural officials. Leonid Yefremov, who had been Khrushchev's agricultural deputy for the Russian Republic (RSFSR) and a candidate member of the ruling party presidium, was demoted to first secretary of the Stavropol agricultural party committee on 1 December. He stayed on as provincial party boss when the Stavropol industrial and

agricultural party organizations were reunited later in the month. The demotion occurred just two weeks after Vasily Polyakov, the central party secretary in charge of agriculture, had been fired.

The choice of Stavropol as the first stop in Yefremov's political decline is especially ironic since the Stavropol province had figured in the eclipse of another agricultural official appointed by Khrushchev--Nikolay

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Belyayev, demoted in 1960 from party first secretary of Kazakhstan and expelled from the party presidium. Belyayev stayed in Stavropol only six months, then disappeared from public view.

Fast-rising Aleksandr Shelepin, who became a member of the presidium in mid-November, supervised Yefremov's transfer. Yefremov's predecessor in Stavropol was recalled to staff work in Moscow and apparently suffered no demotion.

Veteran party secretary Suslov supervised the only other change of note when he helped install Mikhail Solomentsev, former second secretary in Kazakhstan, as Rostov provincial party boss. Solomentsev's shift, unlike Yefremov's, appears to be a lateral transfer. His predecessor was recalled to Moscow for reassignment.

The demotion of Yefremov also vacates the second of the three top posts in the important Bureau for the RSFSR. Khrushchev had been chairman and Yefremov his first deputy for agriculture. Andrey Kirilenko, the third top official, was first deputy for industry. No replacement has been identified for either Khrushchev's or Yefremov's post. Brezhnev would undoubtedly like to assume direct control of the bureau and may already have done so--changes in the bureau are not normally publicly

announced--but the current emphasis on collective leadership might throw the chairman's job to someone else. Kirilenko, his close friend, would be a logical choice.

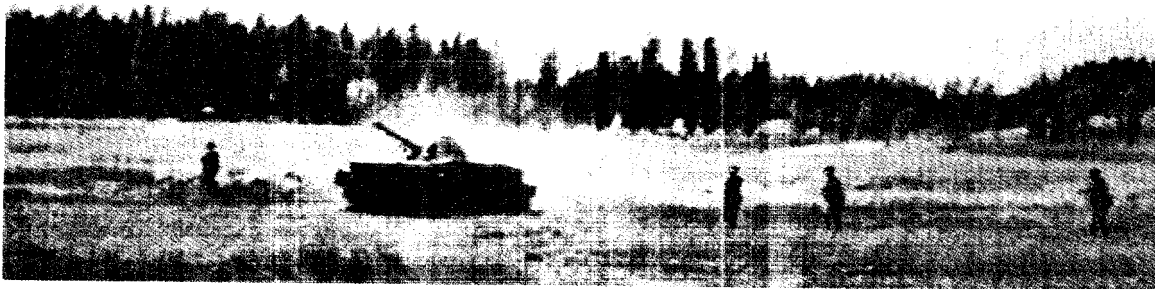
The merger of industrial and agricultural party units ordered by the central committee in November is virtually complete. The record of elections to the newly unified party bodies shows quite clearly that Khrushchev's bifurcation experiment had little effect on the political standing of the 75 provincial party bosses whose bailiwicks were divided two years ago. Over two thirds have remained as party chieftains in the reunified regions. Most of the newcomers had been promoted to fill posts made vacant by the death, promotion, or lateral transfer of the earlier chief.

In the 1962 reorganization the number of incumbent party first secretaries assigned to the rural half of the divided regions was nearly three times the number assigned to the industrial half. The same ratio has prevailed in the reversal. Clearly the nature of the economic problems of the area rather than political considerations determined the emphasis on industry or agriculture, both in the original bifurcation and in the reunification.

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SOVIET PRESS PHOTOGRAPHS OF BORDER GUARDS



Above: A combined tank and infantry attack exercise at the Alma Ata Higher Border Guard Command School.

At Left: A border guard search group boards a helicopter.

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SOVIET KGB BORDER GUARDS INCREASE COMBAT CAPABILITY

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[redacted]
that the Soviet KGB Border Guards have been given greater air strength, particularly helicopters, and now have their own tank units. These additions would be in line with the August 1960 "Decree on State Border Protection" which specifies that border troops must "repel armed incursions into Soviet territory by military formations and groups."

The Sino-Soviet border is believed to be Moscow's chief concern. In Eastern Europe the Soviets appear to be using fewer of their own border guards and relying more on cooperation with those of the satellites.

In October 1964 KGB Border Guard personnel with Tank, Air Force, and Motorized Rifle insignia were observed leaving the Alma Ata Higher Border Guard Command School, the only one which trains line officers. This school added a fourth year to its curriculum in the fall of

1961, and showed signs of further expansion in October 1964. A photographic essay on the school in a May 1963 Soviet military magazine showed a combined tank and infantry attack being conducted.

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Border Guard tank units are believed to be attached to certain detachments along the lengthy southern border with China and Outer Mongolia where the terrain, the degree of tension, and the absence of nearby army units justify their deployment.

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COMMUNIST CHINA TAKES STOCK

Speeches at the annual Chinese Communist National People's Congress, and the resolution issued following the final session of the rubber-stamp parliament on 4 January, suggest that the leaders in Peiping believe they are on the right track in solving their basic problems.

Regime spokesmen boasted about China's growing influence and power abroad. In a major report on the state of the nation, however, Premier Chou En-lai conceded that the economy has not fully recovered from the disaster years of 1959-61 and that considerable popular opposition to domestic policies still exists.

Foreign Policy Aspects

Chinese confidence was most clearly displayed in Chou's remarks on foreign policy. He claimed great victories in "serious trials of strength" during the past five years. Chou asserted that despite repeated attacks by "imperialists, reactionaries, and modern revisionists" Peiping's prestige has grown. He noted that Communist China now has diplomatic ties with 50 countries and maintains trade or cultural relations with 120.

Chou declared that China's chief enemy--the US--is being "knocked about everywhere" and faces more disastrous defeats if it enlarges the war in Indochina. He repeated earlier warnings that China would not "stand idly by" if this should take place.

Although he made a pro forma reference to China's desire for better relations with the USSR, Chou's oblique attacks on Moscow indicate unflagging determination to press on with the Sino-Soviet conflict. His remarks concerning the "great significance" of Mao Tse-tung's pronouncements on international questions are a new and sweeping claim to Chinese leadership of world revolutionary forces.

Peiping's growing chauvinism was underscored by Chou's declaration that China would never depend on others for help. He asserted proudly that Communist China will pay all its remaining debt to the Soviet Union ahead of schedule, out of the favorable balance in 1964 trade with the USSR. Politburo member Marshal Ho Lung took the same chauvinistic line in a speech on 3 January described by New China News Agency as "important."

Ho bragged that Peiping not only has developed powerful armed forces but has exploded its first atom bomb--entirely designed and manufactured in China. The creation of a new 7th Ministry of Machine Building headed by an air force general suggests an expansion of the defense industry. This organization may be associated with aircraft or missile production.

Economic Problems

Chou En-lai's statement on the economy reflected satisfaction at improvements since the

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disaster years of 1959-61, but included no plans for speeding the country's slow, steady recovery. He admitted that many shortcomings, mistakes, and difficulties still exist. Chou explained that readjustment of the economy--a euphemism for economic recovery--was unfinished, and would have to continue in 1965. Preparations are to be made this year for launching a third five-year plan in 1966, three years behind schedule.

Current planning remains on an annual basis, with 1965 goals surprisingly modest. The five-percent increase in total value of agricultural output scheduled for 1965 is quite cautious for Chinese planners, as is the 11-percent increase for industrial output, which is a drop from the claimed increase of 15 percent for the previous year. Chou's claim that 1964 output of grain, cotton, and other major agricultural products all surpassed 1957 levels is not supported by CIA analyses, which estimate that grain and cotton output in 1964 were below that of 1957. Chou's claims of a "better" harvest in 1964 are neither spelled out statistically nor reflected in the generally restrained planning for 1965.

The Internal Scene

The Chinese leaders appear even more concerned over domestic political attitudes than over economic problems. Chou claimed that "sinister winds of capitalism" are still blowing into China, where hostile elements are being "ceaselessly generated" in party and government organs. According to Chou, these people join forces with former

landlords and capitalists--still a powerful and dangerous group--and oppose party programs.

It is clear that the regime intends to meet what it regards as a threat by adopting an even harsher line. The inclusion of four important party men--all regional bureau chiefs--in the government emphasizes the party's determination to tighten direct supervision over the government apparatus. Two of them, Ko Ching-shih and Tao Chu, were appointed vice premiers. Li Ching-chuan and Li Hsueh-feng were named to the NPC Standing Committee.

[redacted] indicate that increasingly repressive measures are already being used to root out and to punish all those who resist regime policies in any way. The NPC resolution declared that the foremost domestic task for 1965 is to deepen the "socialist education movement." The intensified political indoctrination which is a part of this campaign is being supported by a "cultural revolution" designed to harness every branch of art in the service of "politics."

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Chou's statement that all ethnic minorities will be forced to carry the socialist revolution "through to the end" may foreshadow tougher treatment for traditionally hostile groups such as the Tibetans. He attacked the Panchen Lama--Chinese puppet leader in Lhasa who was removed from his post by the NPC--for having encouraged anti-regime activities. Chou promised that the Chinese would take "bolder steps" to "remold" or to eliminate such people. [redacted]

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HANOI-MOSCOW RELATIONS MAY BE CHANGING

North Vietnam has made a limited move toward a resumption of its fence-straddling position in the Sino-Soviet dispute by withdrawing an anti-Soviet article from its party theoretical journal. After distributing early copies of the November issue of Hoc Tap, the publishers suddenly called them back to delete an article by Hong Chuong, a frequent contributor with a decided pro-Chinese bias. The title was inked out in the table of contents, and a nonpolemic speech by moderate politburo member Le Thanh Nghi was added as a loose insert.

This sudden decision suggests that a Soviet offer to increase political and perhaps some military aid may have been made to Premier Pham Van Dong, who returned to Hanoi from Moscow shortly before the Hoc Tap change was made. Since then increased political support has in fact been given Hanoi. Soviet leaders, backed by increased propaganda in the Soviet press and radio have reiterated Moscow's pledge of "necessary assistance" to counter any US "aggression" against North Vietnam. Moscow has also announced that a permanent office of the National Front for the Liberation of South Vietnam will be opened in the USSR in early 1965.

A comparison of the original Hoc Tap article and its replacement offers a rare example of the differing attitudes of the moderate and militant elements within the North Vietnamese party. Hong Chuong's article contained a strong attack on the errors of the Khrushchev leadership. It lashed

out at those who call for "peaceful coexistence with imperialism," praised Stalin by name several times, and attacked the Soviet party's view of the party and state as instruments of all the people rather than class weapons.

The article drew a clear distinction between the errant Communists who were responsible for these mistakes and those "true Communists" in the Soviet party who had adhered faithfully to the party of Lenin. While admitting cautiously that "to a certain extent" the removal of Khrushchev suggested that the "true Communists" might have regained some influence in Moscow, the article was essentially so anti-Soviet as to have been offensive to the new Soviet leaders as well as to Khrushchev.

The replacement article, a speech by Le Thanh Nghi commemorating the October revolution, is characteristic of the traditionally non-polemic policy pursued before mid-1963. A platitudinous account of Soviet and North Vietnamese cooperation and successes, the whole speech was designed to stress the things that Moscow and Hanoi have in common rather than what has divided them.

As yet, there has been no open Chinese reaction to the prospect of improved Hanoi-Moscow relations. Peiping is probably adopting a wait-and-see attitude on the assumption that Soviet aid will fall far short of Vietnamese expectations and that this gesture toward the new Soviet leadership will not be followed up. 25X1

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Asia-Africa

COMMUNISTS MAKE FURTHER GAINS IN INDONESIA

Developments in Indonesia, in both domestic and foreign policy, continue to favor Communist interests.

A major cabinet reshuffle which will either dismiss or downgrade the strongest moderates now in the government is reliably reported to be imminent. Those believed likely to be affected are Chaerul Saleh (third deputy prime minister and minister of development), Adam Malik (trade), General Nasution (defense), and Admiral Martadinata (navy). President Sukarno apparently has been persuaded that they are responsible for current economic difficulties and failures in his military actions against Malaysia.

The prospective move appears to be the outgrowth of an extensive Communist attack on those connected with the recently banned anti-Communist "Sukarnoist" movement. Saleh and Malik were its principal leaders, and Nasution and Martadinata publicly supported it. Malik is reported already under arrest, and a relative of Nasution is said to have been arrested several days ago. The Murba or Proletarian Party, with which both Saleh and Malik are associated, was "temporarily" banned on 6 January, ostensibly to prevent any split in the "unity of national progressive and revolutionary forces." Action against the non-Communist press, which strongly supported "Sukarnoism,"

also seems likely. First Deputy Prime Minister Subandrio has threatened to shut down "anarchistic" newspapers and to permit only those of political parties and mass organizations to publish.

These developments enhance the position of Subandrio who, in effect, has largely allied himself with the Indonesian Communist Party (PKI). This, together with the further weakening of the anti-Communists, will work considerably to the party's advantage, even if it does not achieve greater cabinet representation. Two PKI members and two pro-Communists besides Subandrio already hold significant places in the government.

The PKI has applauded Sukarno's decision to withdraw Indonesia from the United Nations. Withdrawal would further remove Sukarno from moderate influences and his inclination to cooperate with Communist China and the more radical African governments will be strengthened.

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The PKI has consistently advocated a policy of force against Malaysia. Under the umbrella of escalated military operations--should they occur--the Communists could be expected to press for an increased political role at both national and local levels, and probably would achieve it.

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Asia-Africa

CIVILIAN-MILITARY COMPROMISE SOUGHT IN SOUTH VIETNAM

The Huong government appears to be moving toward a compromise with South Vietnam's armed forces leaders. Premier Huong has indicated that he is willing to forgo establishment of another advisory council to replace the disbanded High National Council and that he will try to expedite elections for a permanent national assembly.

This formula, while permitting both parties to proceed on the basis of the military's fait accompli in abolishing the council, may do little more than paper over this challenge to the civilian government's power. A newly created military "liaison" committee, headed by air force chief General Ky, seems likely to be a vehicle for continued military involvement in politics. Ky says this committee's purpose is to resolve differences between the government and its Buddhist, student, and political opponents.

Buddhists and students renewed antigovernment activity during the week, although serious disturbances so far have been avoided. Buddhist leader Tri Quang now is indicating that his campaign to force Huong's removal as premier may be broadened to include Chief of State Suu as well, and that he may

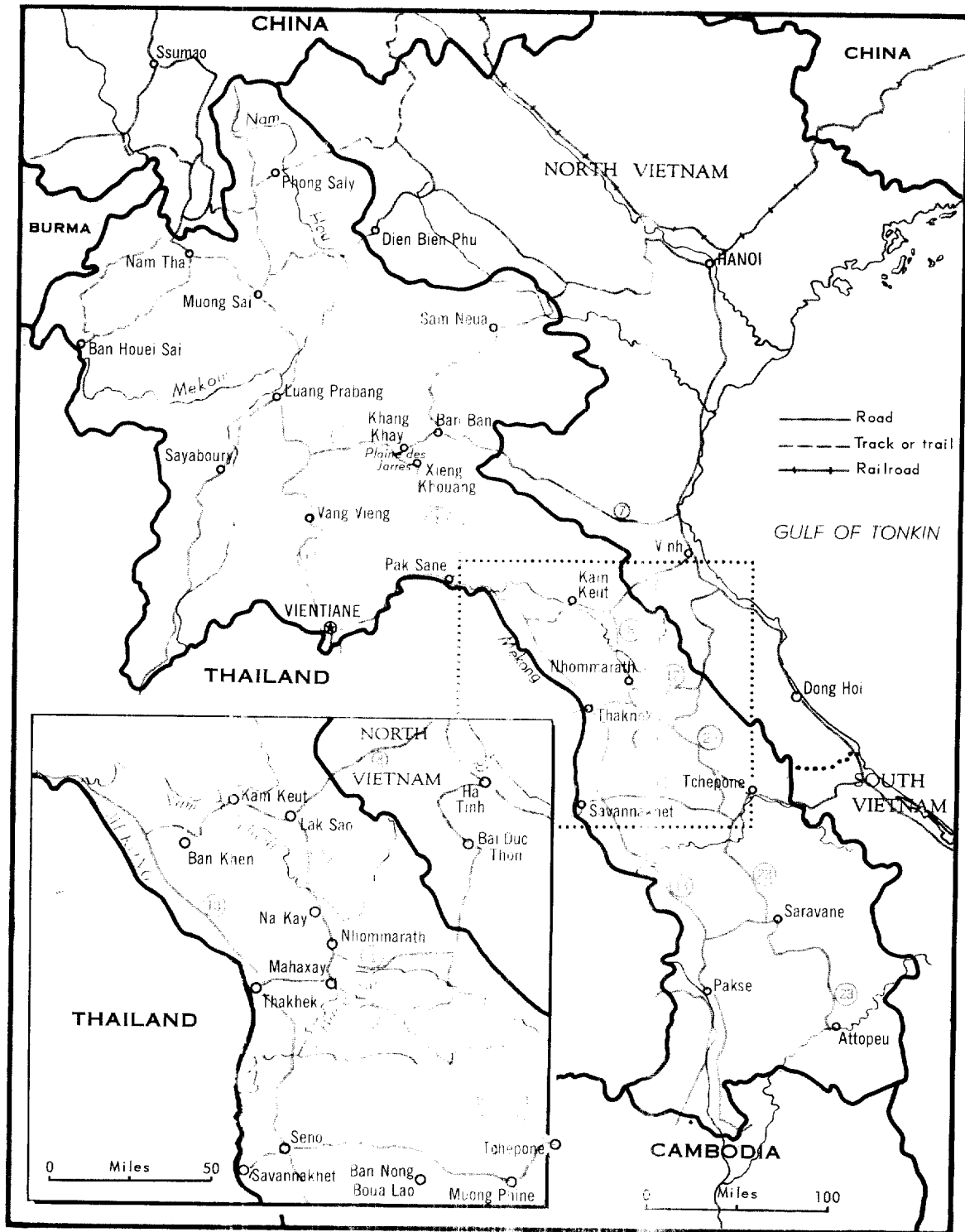
order more drastic tactics if the government does not revoke a decree legalizing a rival Buddhist organization.

Last week's six-day battle at Binh Gia, southeast of Saigon in Phuoc Tuy Province, established another benchmark in the increased willingness of the Viet Cong to engage in sustained clashes with government forces. Binh Gia--which involved Viet Cong units of estimated regimental strength against government marine, ranger, and airborne battalions--was the most extended Communist action to date, and possibly the most costly to the government. However, it does not represent a sudden Viet Cong departure from guerrilla tactics, but rather another step in a gradually developing capability for broader and more complex military actions.

The total number of incidents initiated by the Communists last week remained slightly above the 1964 weekly average of 550, with intense pressure exerted on the countryside, particularly against objectives in the southern delta. On the government side, the effective prosecution of the war effort continued to suffer from the preoccupation with politics on the part of some senior officers at the higher levels of command. Major government-initiated ground operations, including those in contact with the enemy, again decreased.

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Asia-Africa

LAOTIAN RIGHTISTS RESUME SQUABBLING

Rightist leaders in Vientiane are again squabbling over control of the Laotian capital. Police and military factions, led respectively by Generals Siho and Kouprasith, have been in a state of alert for two weeks, each fearing moves by the other to take over full control. The latest crisis was prompted when Siho seized an editor who was critical of police corruption. It appears to have simmered down, but the underlying antagonisms remain resolved and could result in a serious flare-up with little notice.

The continuing struggle for power has been complicated by the recent efforts of Deputy Premier Phoumi Nosavan to exploit it for his own purposes. On 31 December, he called upon military leaders outside Vientiane to support his efforts to regain control of the rightist military command. This appeal fell on deaf ears, however, with most of the military chiefs apparently anxious to avoid being embroiled in the infighting at Vientiane. Although rebuffed in this instance, Phoumi still remains a force to be reckoned with by virtue of his positions as deputy premier and finance minister.

Premier Souvanna, meanwhile, has created a commission to con-

sider the questions of national elections, which under the constitution should be held this spring. On 4 January the commission unanimously recommended that elections be postponed, but deferred discussion of necessary constitutional modifications and the length of the postponement. Although King Savang reportedly favors elections this spring, he is unlikely to oppose these recommendations.

The military situation remains relatively quiet, although there has been a major move of Communist troops into southern Laos since mid-December. Government roadwatch teams have reported the movement of up to 1,000 North Vietnamese troops west along Route 12 toward the Mahaxay-Nhommarath region east of Thakhek. Other reports over the past few weeks suggest the deployment of as many as 5,000 Communist troops south along Route 23 toward the Muong Phine - Tchepone area.

While some of the troops may be destined for southeastern Laos--and some perhaps for South Vietnam--it seems likely that the bulk will be moved west along Route 9 to the Ban Nong Boua Lao region, where rightist forces have recently been stepping up their pressure.

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Asia-Africa

NEW DELHI CRACKS DOWN ON PRO-PEIPING INDIAN COMMUNISTS

The Indian Government, in a series of sweeping arrests across the country last week, has confined more than 700 members of the radical "Left" Communist Party under what could be indefinite jail terms.

The Home Ministry has accused them of treasonous actions and intent, beginning even prior to China's 1962 attack on India, when they were but an extremist faction within the Indian Communist Party, and continuing through 1964 when that party split into two groups of nearly equal size. The "Left" Communist Party (CPI/L) looks to Peiping for ideological guidance and inspiration; the "Right" Party (CPI/R) is oriented toward Moscow.

The arrests will effectively hobble the CPI/L in its competition with the CPI/R for the ultimate allegiance of India's 155,000 Communists as well as in its ability to function as an overt political party. The repression may, in fact, prompt ultraradicals within the CPI/L to carry out extralegal activities of sufficient scope to cause New Delhi to ban the group formally, as it has already threatened to do.

The timing of the arrests appears to be essentially polit-

ical. Adequate justification for such a roundup has existed for two years under emergency powers assumed by New Delhi during the Chinese attack, and lesser crackdowns took place in 1962 and last fall. India's strongly anti-Communist, British-molded police and intelligence officials presumably have favored stern action for some time, but the ruling Congress Party's dire prospect in the forthcoming Kerala State elections is probably what persuaded its leaders to support such a drastic move now.

Of the many parties in the field for the Kerala elections at the beginning of March, only the CPI/L had a chance of putting together a winning coalition. With more than 125 of the arrests having occurred in Kerala alone, the CPI/L seems to have been stripped not only of its leaders but also of many of its best known potential candidates. The likely effect, therefore, will be the one preferred by Congress Party leaders if they cannot win themselves--i.e., a standoff at the polls, with no party or parties able to form a government and a subsequent continuation of direct rule over the state from New Delhi.

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NEW POWER GROUP TAKES OVER SYRIAN MILITARY REGIME

After another extended period of internal maneuvering in Syria, a group of extreme leftist young officers led by army Chief of Staff Salah Jadid has emerged in control of the military regime. The Jadid group recently managed the ouster of the regime's number-two man, Major General Umrán, and reportedly now is pushing for various command shifts to consolidate its position.

The military leaders who have ruled Syria since the 1963 coup now have almost completely sidelined their civilian associates under the Baathist (socialist) banner. The remaining civilian cabinet members are primarily technicians. The

Baathist prime minister, Major General Hafiz, who has maintained his position by a series of successful compromises, has not yet been threatened.

The increased influence of the regime's extremist faction is clearly demonstrated by current steps to complete the nationalization of industry. Similar moves last spring provoked violent demonstrations and forced the government to draw back. The current program could meet similar resistance. Given the present uncertain loyalties of key army units, the new power clique might soon face serious problems in maintaining its own position.

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Asia-Africa

IMPROVED SOVIET-EGYPTIAN RELATIONS

Moscow utilized Deputy Premier Shelepin's 19-29 December visit to Egypt to exploit areas of US-Egyptian disagreement such as the Congo. Shelepin also reiterated Moscow's commitment to maintain close relations with Egypt and contrasted Soviet assistance with Western aid, which he said is used "to interfere in the affairs of other states."

Moscow and Cairo continue to pursue their own policies in the Afro-Asian world, but both have found it expedient in recent months to give the impression of a close identity of views on a number of international issues. The release of many Egyptian Communists from prison in 1964 and the favorable press treatment in each country of the other's policies reflect this improved atmosphere of relations.

Probably to demonstrate the continuity of the USSR's policy of friendship with Cairo, the new Soviet leaders gave especially favorable treatment to the Egyptian delegation to the 7 November celebrations in Moscow. Also, in recent months Arab Communists, presumably on orders from Moscow, have sought to cooperate with Nasirite and other nationalist groups in a number of Middle Eastern countries.

In his public statements in Egypt, Shelepin emphasized

Soviet-Egyptian solidarity in support of "revolutionary liberation movements," particularly in the Congo. He avoided any reference to the potentially divisive issue of how Arab unity is to be achieved, and instead praised Egypt for choosing the "socialist" path of development.

For his part, Egyptian President Nasir has been trying to give the impression that the USSR is prepared to give Egypt "all the aid it needs." Shelepin kept his assurances of support vague, however, and it is unlikely that he offered any new economic aid programs or indicated a willingness to replace any US aid which might be withdrawn.

Under its new leadership, the USSR has already ratified the \$280-million agreement concluded by Khrushchev last May in support of Egypt's new five-year plan which begins in March. It also signed an agreement on 11 November with Defense Minister Amir. This will lead to delivery of a wide range of new military equipment compatible with Egypt's position as leader of the United Arab Command. After these recent demonstrations of economic and military support, further offers of aid programs seem unlikely.

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NIGERIA SHAKEN BY ELECTION CRISIS

The troubled Nigerian federation has apparently survived a major crisis brought on by a direct clash between traditionally antagonistic ethnic and regional forces in connection with the 30 December parliamentary election. However, the settlement of specific problems arising out of the election will probably involve prolonged haggling, and a new crisis could flare over any of many issues.

The crisis arose two weeks ago when the United Progressive Grand Alliance, one of the two national coalitions into which Nigerian political parties had polarized for the election, apparently concluded that it could not win, and demanded postponement of the balloting. The UPGA, which mainly represents relatively advanced tribes of the Christian and pagan south, had hoped to wrest control of the federal government from incumbent conservative northern Muslim elements. The UPGA leaders based their effort to block the voting on charges that irregularities in the Northern Region made "free and fair" elections there impossible.

The crisis came to a head on 28 December when figurehead President Azikiwe, a southerner who is Nigeria's foremost nationalist hero, openly sided with his erstwhile UPGA associates and tried to force northerner Prime Minister Balewa to give way to a "provisional government." Failing in this effort, Azikiwe gave tacit support to the UPGA's election boycott.

After the northerners' Nigerian National Alliance (NNA) won the election--as it probably would have even without the boycott--Azikiwe refused at first to carry out his constitutional role in the formation of a new government. After several days of frantic maneuvering, however, he and Balewa announced a "compromise" which seems to be a capitulation to the northerners. It calls for early elections in the UPGA-dominated constituencies where none took place and for a "reexamination" of constituencies where only a "small" number voted. Azikiwe agreed specifically that the validity of the elections could be questioned only by "due process of law" and that redress for alleged irregularities must be sought in the courts.

On 7 January Balewa announced an apparently temporary government. All but four members are from the NNA, but he promised a reshuffle after "outstanding" elections are held in the Eastern and Midwestern Regions and Lagos. Much depends on the extent to which key UPGA elements are included in the permanent government and on Balewa's success in softening the attitudes of both northern and southern extremists. The top NNA leader, Northern Region Premier Bello, seems bent on taking full advantage of the NNA's strong position.

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Asia-Africa

CONGO GOVERNMENT RETAINS MILITARY INITIATIVE

The Leopoldville government retains the military initiative despite substantial foreign shipments of arms to rebels in the northeastern Congo.

Government forces continue to move quite freely and to capture sizable quantities of these weapons. The rebels, although better armed and using more sophisticated tactics than previously, have not yet been able to mount a concerted counter-offensive and are often incapable of effectively employing their weapons. The insurgents' ineptness suggests that they are not accompanied by foreign combat "volunteers." Reports of foreign cadavers being picked up have all, so far proven false. The rebels' apparently faltering resistance and their increasing weapons losses may cause their radical African suppliers either to stop the deliveries or to send in soldiers to protect their investment.

The supply route through the Sudan may soon be threatened by southern Sudanese dissidents. Some of their leaders based in Uganda claim that, given arms, they could effectively block the shipments to the Congolese rebels. Leopoldville has reportedly agreed to help but does not yet control any overland route by which any

substantial quantity of arms could be transferred to the Sudanese. Although any operations by the Sudanese rebels would be limited largely to harassing actions, this might be enough to dissuade Khartoum from further commitments of military equipment and personnel to the Congolese rebel cause.

Meanwhile, efforts are now being made to drastically increase the number of mercenaries. Resignations, casualties, and illness have reduced the 400 mercenaries brought to the Congo to only 220, with scarcely half of these now effective. However, Belgians are being recruited in Europe with a view to replacing in due course all the South Africans and Rhodesians. Some of them are to be committed in small groups in widely scattered locations to stiffen Congolese Army units. For short-term needs, however, new recruiting is being resumed in South Africa.

On the political scene, Premier Tshombé has postponed the parliamentary elections planned for February until the last two weeks of March. This ostensibly will permit elections to be held in areas not yet pacified, and will in fact allow the government to consolidate its political position.

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Europe

THE ITALIAN POLITICAL SITUATION

Italy's short-run political outlook remains uncertain, as each of the parties in the center-left government coalition re-examines its policies in the wake of the bitter presidential election. The major hurdle facing Premier Moro's government is the question of working out a firm agreement among these parties to enact certain of the long-needed reforms provided for in the government program. The Socialists (PSI) are demanding prompt action, while the present Christian Democratic (CD) leadership seems to be insisting on further delays.

The Socialists made it clear at the 29 December cabinet meeting that unless the government gets going on meeting its program commitments on specific reforms by the end of January, the PSI will withdraw from the coalition. They consider action now on three reforms to be essential: an urban reform law, institution of a national economic plan, and reorganization of the old-age pension system. The urban law has not yet been approved even by the cabinet and, as of mid-November, the most optimistic prediction was that it might get parliamentary approval by early summer. Coalition agreement is still pending on the economic plan, which was supposed to be presented to parliament last month.

The current CD majority leadership appears disposed to stall

as long as possible on certain reforms. It is telling the other coalition partners that the threat of renewed inflation makes it "untimely" to institute reforms or to initiate legislation that would cost large sums.

The PSI and the CD are also at odds over who should replace President Saragat as foreign minister. The Christian Democrats are said to have initially pushed Treasury Minister Colombo, a member of the CD, for the job, while offering the treasury post to Socialist Minister of the Budget Pieraccini.

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Meanwhile, the CD National Council, meeting later this month, must come to grips with the problem of restoring some semblance of party unity, an exceedingly difficult task now complicated by the disruptive effects of the presidential election. Any meaningful harmonization of factional differences in the CD over key issues--particularly the coalition's program and factional representation on the Party Directorate--seems remote at this time. A thin papering over is probably the most that can be expected.

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Western Hemisphere

CASTRO INSISTS ON AUTONOMY IN COMMUNIST WORLD

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The salient point in Fidel Castro's long, rambling speech on 2 January was an emphatic declaration that Cuba will never submit to foreign dictation. Addressing a mass rally in Havana commemorating the sixth anniversary of his coming to power, Castro was more direct on this issue than ever before in a public speech.

Castro left no doubt that he had the Soviets in mind when he declared that any foreign Communist party trying to tell Cubans what to do "would be met with a decisive and complete rejection." Arguing that Marxism-Leninism cannot be indiscriminately applied everywhere, he asserted that each country's national traditions and idiosyncracies must be taken into account. These "subjective factors," he said, "are abundant" in Cuba. "We have no need," he declared, "to borrow anybody's brain...anybody's courage...anybody's intelligence."

Castro strongly chastised Cubans who, in his view, had come to feel too dependent on foreign aid. He said that Cubans must be prepared to go it alone "even if absolutely no help could come...from abroad." Although "it is possible that this test may never come," he said, only with this attitude can Cubans consider themselves truly secure and genuinely revolutionary.

in his speech Castro was explicit in again rejecting any thought of breaking with the "socialist camp."

In his references to the United States, Castro was characteristically defiant and uncompromising. He perfunctorily reasserted his interest in living in peace with the US and even in developing trade relations. But he stressed that this is no sign of weakness and that his regime is strong enough to wait indefinitely for the US to meet his terms.

On this score, Castro repeated his conviction that Cuba's revolution will inevitably be followed by similar movements in Latin America and elsewhere in the underdeveloped world. The US, he declared, will eventually have to come to terms with Cuba when it has to deal also with "several" other revolutionary regimes. He also emphasized the view that ultimately the US will be forced to decide against a course of intervention--not only in Cuba, but also in "Vietnam, Venezuela, Guatemala, and the Congo."

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Western Hemisphere

PROSPECTS IN PANAMA ON ANNIVERSARY OF ANTI-US RIOTS

The Panamanian Government is determined to avert violence this week, the anniversary of last year's bloody anti-US riots. Although internal squabbling among Communists is in the government's favor, isolated acts of terrorism cannot be prevented. Other unsettling developments are the efforts of Cuban-backed revolutionaries to involve former president Arnulfo Arias in their antigovernment activities, and the threat of labor troubles.

Arias received well over one third of the vote in last May's presidential elections--most of it among the urban lower classes--and his party has the largest single block of deputies in the National Assembly. Although Arias himself has a long anti-Communist record, the "hard-line" Communists see his mass following as a tempting, susceptible group to incite to violence. They also regard his henchmen as invaluable allies for subversive activities.

Arias has kept aloof from politics since May, but re-entered the arena on 4 January with a speech bitterly criticizing the Robles government for the death of one of his followers involved in a bombing incident. It is unlikely, however, that Arias will make common cause with

the Communists unless he becomes convinced that such collaboration would enable him to oust President Robles.

A politically and economically disruptive strike could occur this month in the chief banana-producing area, Chiriqui Province.

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The Communists have the support of National Assemblymen Carlos Ivan Zuniga and Virgilio Schuverer, pro-Communists who dominate the union. These men derive much of their political power from control of union funds collected through a checkoff system. The company wants to discontinue this system, as well as to hold the line on wages.

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Western Hemisphere

NEW DISTURBANCES IN BOLIVIA

The Bolivian Army on 3 January broke up what the ruling junta termed a widespread subversive movement organized by followers of ex-President Paz. The junta's description may have been exaggerated. Indeed there is reason to believe that the government was not only interested in disrupting pro-Paz plotting, but was trying also to discredit the national police. Many police officials were among those arrested.

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Ex-Minister of Government
Ciro Humboldt suddenly returned to La Paz last month from exile in Peru and was immediately arrested,

as he may have intended. His aim seems to have been to put himself in a position to coordinate police opposition to the regime within Bolivia from a prison cell.

Whatever the provocation, traditional military distrust and dislike of the police leave little doubt that the army is anxious to eliminate the police power structure as it was constituted under Paz. As a result of the alleged plot the army has taken command of police posts throughout the country, and the junta has announced the reorganization of the police into a National Guard for Public Security under military control.

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Western Hemisphere

SLOW PROGRAM FOR RETURN TO CONSTITUTIONALITY IN ECUADOR

Ecuadorean junta president Admiral Castro Jijon on New Year's Day announced plans to return the country to constitutional government, but his program fell short of the expectations that have been built up during the past several months. Under the junta's plan, the changeover will probably be delayed for at least a year and a half.

The eight-point program included a decree combining identity and voter registration documents into one card. Reportedly, the cards will also serve as employment descriptions and tax registrations. The junta claims that this action, along with a new electoral law and voting procedures it proposes, will end electoral fraud. The compilation and distribution of the cards will probably require a year's time.

A new constitutional commission will soon be appointed, probably to reform the existing 1946 basic law. This move apparently reflects a decision to abandon a draft constitution the junta recently published.

The junta also announced that new decrees controlling local government will be issued, and that those will be followed

by municipal and provincial elections. Presidential and congressional elections will occur later.

The junta's announcement revealed no timetable for any of these events.

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Although reaction to the junta's plans has so far been scant, political leaders will probably be outraged by such a slow and indefinite plan for returning to constitutional rule. The junta, however, apparently feels confident that it enjoys full support from the armed forces and most of the population, and can therefore cope with any adverse reactions.

In other domestic developments, the junta closed the old year by releasing the last of the political prisoners it has been holding, including Communist Party secretary general Pedro Saad. On the international front, the Foreign Ministry is moving toward denunciation of the fishing modus vivendi negotiated with the US in mid-1963.

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Western Hemisphere

BRITISH GUIANA'S NEW PREMIER TRYING TO CONCILIATE OPPOSITION

Forbes Burnham since taking office last month as premier of British Guiana has been trying to project the image of a moderate, conciliatory leader. He has not yet succeeded, however, in dispelling the suspicion with which the large East Indian community views his predominantly Negro government. Opposition leader Jagan, ex-premier and still spokesman for the colony's East Indians, is doing his utmost to exacerbate that suspicion.

Burnham has made a special effort to form a multiracial cabinet. In a further attempt to broaden his base, Burnham gave in to demands of his coalition partner, the United Force, for three cabinet posts, rather than sticking to his initial offer of two.

In his relations with Jagan's People's Progressive Party Burnham is going out of his way to be correct and considerate, thereby hoping to place the onus for any noncooperation on Jagan. Burnham has announced he will arrange for Jagan to receive a

salary as official leader of the opposition, and says he will consult Jagan on "certain national issues." In addition, he is claiming personal credit for the release, just before Christmas, of nine political detainees, five of whom belong to the PPP.

Jagan so far has not responded in kind to these attempts at conciliation. The PPP still claims the election was a fraud, and is trying to keep racial animosities alive by warning that Burnham's gestures to non-Negroes are hypocritical and that Indians must expect to be treated "like Jews in Germany." Jagan has announced a program of "nonviolent noncooperation" apparently aimed primarily at weakening the colony's economy.

The US consul in Georgetown is impressed with Burnham's statesmanlike performance to date, but doubts that the new premier has made much impression on Indians in the countryside.

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